

Dated 23 JUNE

2000

NORTH WEST DEVELOPMENT AGENCY

and

ONE NORTH EAST

and

**YORKSHIRE FORWARD (YORKSHIRE & HUMBER REGIONAL
DEVELOPMENT AGENCY)**

COLLABORATION AGREEMENT

**EVERSHEDS
Solicitors
London Scottish House
24 Mount Street
Manchester
M2 3DB**

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BETWEEN

- (1) **NORTH WEST DEVELOPMENT AGENCY** of P O Box 37, Kings Court, Scotland Road, Warrington WA1 2FR("NWDA"); and
- (2) **ONE NORTH EAST** of Great North House, Sandyford Road, Newcastle Upon Tyne, NE1 8ND ("ONE"); and
- (3) **YORKSHIRE FORWARD (YORKSHIRE & HUMBER REGIONAL DEVELOPMENT AGENCY)** of Victoria House, 2 Victoria Place, Leeds, LS11 5AE ("YF").

BACKGROUND

The Parties comprise Regional Development Agencies and propose to collaborate within the Territory for the purpose of marketing and promoting the North of England to companies in the Territory with the purpose of attracting inward investment.

OPERATIVE CLAUSES

1. **Definitions and Interpretation**

- 1.1 In this Agreement the following words shall have the following meanings unless the context otherwise requires:-

<u>Word</u>	<u>Meaning</u>
"Authorised Contracts"	Existing Authorised Contracts and/or New Authorised Contracts (as the case may be);
"Authorised Employees"	the employees seconded or employed by the Lead Agent in accordance with the provisions of clause 11 for the purposes of the Collaboration, in each case, to the extent either detailed in the Statagic Brief or authorised by the Management Board;
"Budget"	the budget more particularly referred to in clause 6;
"Business Day"	any day (other than Saturday or Sunday) on which clearing banks in London are open for a full range of banking transactions;

“Chief Executive”	the Chief Executive to be appointed by the Parties in accordance with the provisions of clause 11.3;
“Collaboration”	the Collaboration between the Parties for the purposes set out in clause 2;
“Commencement Date”	the date of this Agreement;
“Existing Authorised Contracts”	the contracts listed in Schedule 5 existing at the date of this Agreement which the Parties have agreed will form part of the Collaboration;
“Expert”	means a suitably qualified Queens Counsel of not less than 10 years call to be agreed upon by the Parties or (in default of agreement within 10 Business Days) to be selected at the instance of any of them by the Chairman of the Bar Council from time to time of England and Wales and any such Queens Counsel (whose costs shall be paid as he shall direct) shall act as an expert (and not as arbitrator) in connection with the giving up of such decision which shall be final and binding (except in the case of manifest error);
“Intellectual Property Rights”	any and all intellectual property rights arising directly out of the Collaboration, including, but not limited to any trade names, trading names, logos and brand names (whether registered or not) used in connection with the Collaboration save to the extent that any such intellectual property that was in existence prior to the Commencement Date is owned by or vested solely in one of the parties prior to or during this Agreement;
“Lead Agent”	the Party appointed from time to time to enter into Authorised Contracts in respect of the Collaboration pursuant to the provisions of clause 12.3 ;
“Liabilities”	all actions, proceedings, costs, claims, demands, awards, fines, orders, expenses and liabilities whatsoever (including legal and other professional expenses) howsoever arising directly or indirectly (and including but not limited to liabilities for negligence and breach of statutory duty);

"Management Board"	the board comprising the Representatives responsible for managing the Collaboration in accordance with the provisions of this Agreement;
"New Authorised Contracts"	contracts entered into by the Lead Agent in accordance with the provisions of clause 12 on behalf of the others for the purposes of the Collaboration, in each case, to the extent such contracts are either detailed in the Strategic Brief or authorised by the Management Board;
"North of England"	the North East, North West and Yorkshire and Humberside regions as defined in Schedule 1 of the Regional Development Agencies Act 1998;
"NWDA Representative"	the representative of NWDA appointed to the Management Board (from time to time) pursuant to the provisions of clause 5.3;
"ONE Representative"	the representative of ONE appointed to the Management Board (from time to time) pursuant to the provisions of clause 5.3;
"Operational Year"	the first operational year being the period from the Commencement Date to 31 March 2001 and each subsequent operational year being each consecutive period of 12 months from 1 April 2001 during the period of this Agreement or any shorter period commencing on a day immediately following the end of an Operational Year and ending on the termination of this Agreement;
"the Parties"	the Parties to this Agreement (or any of them as the case may be);
"the Project Handling Protocol"	the project handling protocol set out in Schedule 6;
"the Representatives"	the NWDA Representative, the ONE Representative and the YF Representative;
"the Strategic Brief"	the strategic brief more particularly described in clause 6;
"Territory"	North America comprising the United States of America, Canada or their respective territories or possessions;

“YF Representative”

the representative of YF appointed to the Management Board (from time to time) pursuant to the provisions of clause 5.3.

- 1.2 Unless the context otherwise requires the masculine shall include the feminine and the neuter and the singular shall include the plural and vice versa.
- 1.3 The expression "person" means any individual, firm, company, unincorporated association, partnership, government, state or agency of a state and joint venture.
- 1.4 The index and headings to the clauses of and Schedules to this Agreement shall not affect its construction.
- 1.5 Any reference to a statute or statutory provision shall be construed as a reference to the same as from time to time amended, consolidated, modified, extended, re-enacted or replaced.
- 1.6 Any reference in this Agreement to a clause or Schedule is a reference to a clause or Schedule of this Agreement.
- 1.7 The Schedules form part of this Agreement and shall have full force and effect as if expressly set out in the body of this Agreement and any reference to this Agreement shall include the Schedules.

2. The Objects of the Collaboration

- 2.1 The objects of the Collaboration shall be to contribute to the delivery of the economic strategies of the North East, North West and Yorkshire and the Humber regions by optimising the quality and quantity of inward investment from the North American market, to operate more effectively than could be achieved by three regions working independently through economies of scale, to collaborate on the basis of trust and transparency for the collective good of the North of England and without prejudice to the foregoing generality its objectives will include:-
 - 2.1.1 To secure the maximum amount of inward investment to the “North of England” by North American companies in agreed target sectors;
 - 2.1.2 To build a positive and cohesive “North of England” brand in the market place;
 - 2.1.3 To promote the North of England brand to target markets and achieve a higher profile than any single region could achieve through its own efforts;
 - 2.1.4 To generate a high level of understanding in target markets of the “North of England” brand and its associated values;

- 2.1.5 To promote and present the "North of England" fairly and objectively, focusing at all times on the needs of the potential investor;
- 2.1.6 To work effectively with partners in the market, particularly consulate posts and multipliers;
- 2.1.7 To work effectively with UK based staff to maximise the number of successful projects and new jobs in agreed target sectors;
- 2.1.8 To use best endeavours to encourage sub-regional partners to channel their North American inward investment activities into the Collaboration;
- 2.1.9 To seize all opportunities to maximise the cost effectiveness of the collaborative approach; and
- 2.1.10 To adhere to guidelines established by the Committee on Overseas Promotion (COP).

3. **Commencement and Term**

This Agreement shall commence on the Commencement Date and continue thereafter unless and until terminated in accordance with the provisions of this Agreement (and in particular clause 13).

4. **Obligations of the Parties**

- 4.1 The Parties agree to conduct the Collaboration in accordance with the provisions of this Agreement.
- 4.2 The Parties shall procure that all of their activities falling within the parameters of clause 2 above shall be dealt with through the medium of the Collaboration in accordance with the provisions of this Agreement.

5. **Management Board**

- 5.1 The Parties shall form the Management Board for the purposes of managing the Collaboration in accordance with the provisions of this Agreement and in the best interests of the Parties. The Management Board shall have the power and authority as set out in Schedule 1. Each Party shall delegate this power and authority to its Representative.
- 5.2 Decisions of the Management Board shall be made in accordance with the provisions of this Agreement.
- 5.3 Each of NWDA, ONE and YF shall have the right to appoint 1 Representative to the

Management Board. The first such Representatives shall be:-

- 5.3.1 Tim Sheward as the NWDA Representative;
 - 5.3.2 Chris Fraser as the ONE Representative; and
 - 5.3.3 Jon Moore as the YF Representative.
- 5.4 The Management Board shall comprise no more than 3 Representatives.
- 5.5 Each of NWDA, ONE and YF shall have the right to remove any Representative nominated by it and appoint another Representative in his place for so long as it remains a participant in the Collaboration by giving 2 weeks notice in writing (signed by the departing Representative, or in the alternative, a director of the Party lodging the notice) to each of the other Parties or at a meeting of the Representatives. Before removing or appointing a Representative each Party shall so far as reasonably possible, consult with the other Parties and shall have due regard to (but shall not be bound by) the views of the other Parties on the identity of its appointees.
- 5.6 Subject to clause 12.3, the members of the Management Board shall not be entitled to any remuneration in their capacity as Representatives.
- 5.7 Any Representative may, with the consent of the Party who appointed him, appoint an alternate and may by giving notice in writing remove an alternate so appointed by him. An alternate shall be entitled to receive notice of all meetings of the Management Board and attend and vote as such at any meeting at which the Representative appointing him is not personally present, and generally in the absence of his appointor to do all things which his appointor is authorised or empowered to do.
- 5.8 Unless otherwise unanimously agreed, meetings of the Management Board shall be held at least once every 3 months and otherwise as circumstances require. No meeting of the Management Board shall normally be convened on less than 5 Business Days' notice, but a meeting of the Management Board may be convened by giving less notice if the NWDA Representative, the ONE Representative and the YF Representative each agree.
- 5.9 So far as practicable documents relating to issues to be considered by members of the Management Board at any such meeting shall be distributed in advance of the meeting to all members of the Management Board and their alternates so as to ensure that they are received at least 2 Business Days prior to the date fixed for such meeting.
- 5.10 Save where otherwise provided in this Agreement, all matters to be decided at a meeting of the Management Board shall require the unanimous vote in favour of the NWDA Representative, the ONE Representative and the YF Representative (or, in each case, their respective alternates) before being carried.
- 5.11 The quorum for the transaction of business at any Board meeting shall be three Representatives comprising the NWDA Representative, the ONE Representative and the YF Representative (or, in each case, their respective alternates).

- 5.12 The Parties shall use all reasonable endeavours to ensure that their respective Representatives (or their alternates) shall attend each meeting of the Management Board and to procure that a quorum (in accordance with the provisions of this Agreement) is present throughout each such meeting.
- 5.13 If within half an hour from the time appointed by a Management Board meeting a quorum is not present, the meeting shall be adjourned to such date, time and place within 3 weeks from the date of the adjourned meeting as the Parties may agree. If the Parties cannot agree the date, time and/or place of such adjourned meeting within 3 weeks of the adjourned meeting, the adjourned meeting shall take place on the same day of the fourth week at the same time and place as the adjourned meeting. If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting two Representatives, each being from a different Party, shall constitute a quorum at the adjourned meeting.
- 5.14 If a resolution submitted to a duly convened meeting of the Management Board is not carried at that meeting, then, without prejudice to the Management Board's ability to consider any other business put to it at such meeting, the meeting shall (on the request of any Representative or his alternate at such meeting) be adjourned for 3 Business Days and then reconvened and such resolution reconsidered. If such resolution is not carried at the adjourned meeting and the Parties unanimously agree, the resolution shall be reconsidered at the next meeting of the Management Board and this sentence shall apply mutatis mutandis to the next meeting of the Management Board. In the event that the Parties are at any point in time unable to agree to carry the resolution forward to be considered at the next Management Board meeting, it shall at the option of any Party be referred to the respective levels of authority of the Parties for their decision in accordance with the provisions of clause 18.
- 5.15 The first Chairman of the Management Board shall be appointed by NWDA. The role of, and the right to appoint, the Chairman shall rotate on an annual basis between the Parties in the order NWDA, followed by YF followed by ONE with the first such rotation taking place with effect from the anniversary of the Commencement Date. The Chairman of the Management Board shall not have a second or casting vote.
- 5.16 Any Representative (including an alternate) may participate in a meeting of the Management Board by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and he shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.
- 5.17 Each Representative shall be entitled to invite one non-voting advisor to meetings of the Management Board. Any further attendees which one Party proposes to invite shall

require the consent of each of the other Parties.

6. **Strategic Brief and Budget**

6.1 The Management Board shall establish a Strategic Brief and a Budget for each Operational Year of the Collaboration in accordance with the provisions of this clause 6.1:-

6.1.1 The Strategic Brief shall comprise a marketing and action plan for the relevant Operational Year;

6.1.2 The Budget shall be compiled on the principles contained in Part 2 of Schedule 2;

6.1.3 The first Strategic Brief shall be as set out in Schedule 3 and the first Budget as set out in Part 1 of Schedule 2.

6.1.4 Save where the Parties unanimously agree, the Management Board shall agree the Strategic Brief and Budget for the relevant Operational Year no later than 30 days prior to the commencement of such Operational Year.

7. **Accounting and Reporting Information**

7.1 The Management Board shall procure that the following are provided to each of the Parties:-

7.1.1 a quarterly report from the Lead Agent containing quarterly management accounts detailing the financial performance of the Collaboration compared to Budget for the Collaboration in such form as agreed by the Management Board from time to time;

7.1.2 a monthly report from the Chief Executive in such form as agreed by the Management Board, from time to time, reporting on the operational performance of the Collaboration.

8. **Conduct of the Collaboration**

8.1 The Parties shall exercise all powers of control available to them in relation to the Collaboration so as to procure (insofar as they are able by the exercise of such powers) that at all times during the term of this Agreement:-

8.1.1 save where the Parties agree information relating to the Collaboration may remain confidential to one Party, each of the Parties shall be entitled to examine the books and accounts to be kept in respect of the Collaboration and to be supplied with all relevant information, including management accounts and operating statistics and such other trading and financial information as

they may reasonably require to keep them informed about the conduct of the Collaboration. For such purposes each of the Parties grants an irrevocable licence to the others upon reasonable notice and during normal working hours to enter each others premises for the purposes of examining the records referred to in this clause 8.1.1.

- 8.1.2 the Representatives comply with the terms of this Agreement and do not exceed (whether individually or as part of the Management Board) their delegated power and authority as set out in Schedule 1.
- 8.1.3 the Parties properly perform their respective obligations pursuant to Authorised Contracts.
- 8.1.4 unless unanimously agreed by the Parties, decisions taken in respect of the Collaboration shall be by the Management Board or the Chief Executive in accordance with the provisions of this Agreement.
- 8.1.5 the Chief Executive fully complies with his obligations and does not exceed his authority pursuant to the terms of reference contained in Part 1 of Schedule 4.
- 8.1.6 payment of all cheques in respect of the Collaboration drawn in excess of £10,000 is approved by the NWDA Representative, the ONE Representative and the YF Representative.
- 8.1.7 the Management Board and/or Chief Executive comply in all respects with the Project Handling Protocol.
- 8.1.8 the Parties shall comply in all respects with their respective obligations contained in the Service Level Agreement set out in Schedule 7.
- 8.1.9 the Parties will comply with all applicable laws and regulations insofar as they relate to the Collaboration.

9. Restrictions on the Parties

- 9.1 The Parties shall exercise all powers of control available to them so as to procure (insofar as they are able by the exercise of such powers) that at all times during the term of this Agreement, no Party shall, directly or indirectly, save as expressly provided in this Agreement, or without the approval of a resolution of the Management Board in accordance with the provisions of clause 5.10 on which the NWDA Representative, the ONE Representative and the YF Representative (or, in each case, their respective alternates) voted in favour:-
 - 9.1.1 agree that any contract shall constitute an Authorised Contract or enter into any contract in respect of the Collaboration or a contract in respect of which the

other Parties may have liability pursuant to the terms of this Agreement;

- 9.1.2 terminate or vary any Authorised Contract;
- 9.1.3 create or allow to subsist any mortgage, charge, pledge, lien, assignment or other security interest over any of the assets purchased by the Parties (or any of them) for the purpose of the Collaboration;
- 9.1.4 sell, transfer, lease, assign or part with possession of the whole or part of the property or assets purchased by the Parties (or any of them) for the purposes of the Collaboration;
- 9.1.5 during the period of this Agreement whether alone or in conjunction with, or on behalf of, any other person and whether as principal, shareholder, agent, consultant, partner or otherwise:-
 - 9.1.5.1 participate within the Territory in competition with the Collaboration in any matter which falls within the objects of the Collaboration as set out in clause 2; or
 - 9.1.5.2 solicit or entice, or endeavour to solicit or entice away any person constituting an Authorised Employee and employed in a managerial, supervisory, technical or sales capacity by one of the Parties;
- 9.1.6 hold any meeting of the Management Board or purport to transact any business at any such meeting unless there is a quorum present in accordance with the provisions of this Agreement;
- 9.1.7 agree or vary the Strategic Brief or the Budget for each Operational Year or any matter in respect thereof;
- 9.1.8 impose any obligation (including but not limited to capital expenditure) on the Parties in connection with the Collaboration save as expressly provided for in the Strategic Brief or the Budget;
- 9.1.9 save as expressly provided for in the Strategic Brief or the Budget make any material decision relating to Authorised Employees including but not limited to decisions relating to:-
 - 9.1.9.1 the appointment for the purposes of the Collaboration of an Authorised Employee;
 - 9.1.9.2 disciplinary matters relating to Authorised Employees (including but not limited to dealing with Authorised Employees' grievances);

9.1.9.3 the dismissal of Authorised Employees for any reason whatsoever.

9.1.10 save as expressly provided for in the Strategic Brief make any material decision relating to Authorised Contracts;

9.1.11 conduct financial transactions in respect of the Collaboration save through the Account;

9.1.12 on its own make any application to register any of the Intellectual Property Rights anywhere in the world or take any action in relation to the enforcement or defence of the Intellectual Property Rights.

10. **Funding**

10.1 Subject to the reimbursement procedures of the Lead Agent set out in Schedule 7, each of the Parties shall each be responsible for funding or procuring the funding in respect of one third of the funding requirements detailed in the Budget. On the first Business Day of each month in each Operational Year each of the Parties shall provide in advance its proportion of the funding required for the next following month.

11. **Employees**

11.1 Existing employees of the Parties who it is intended shall comprise part of the Collaboration may be seconded to the Lead Agent appointed in accordance with the provisions of clause 12.3. Such employees shall be seconded only with the authority of the Management Board and shall comprise Authorised Employees. In the event that an employee is seconded in furtherance of the Collaboration, the Parties shall procure that a secondment agreement is prepared setting out the responsibilities and obligations of the Party to whom the employee is seconded. Such secondment agreement shall constitute an Authorised Contract.

11.2 Authorised Employees other than those seconded in accordance with the provisions of clause 11.1 shall be employed by the Lead Agent appointed in accordance with the provisions of clause 12.3. The employment contracts relating to such employment shall constitute New Authorised Contracts.

11.3 It is the intention of the Parties to employ the Chief Executive in accordance with the Strategic Brief. The parties agree the conduct of certain of the matters contained within the Strategic Brief shall be delegated by the Management Board to the Chief Executive in accordance with the parameters set out in the terms of reference set out in Part 1 of Schedule 4. The Chief Executive shall be employed by the Lead Agent on the form of contract of employment set out in Part 2 of Schedule 4 and shall be obliged to comply with the terms of reference set out in Part 1 of Schedule 4.

11.4 Liabilities in respect of Authorised Employees shall be dealt with in accordance with the provisions of clause 16.

12. **Contracts and Lead Agent**

- 12.1 Subject always to the provisions of clause 16, and save to the extent otherwise agreed by the Management Board it is intended that Authorised Contracts shall be dealt with as follows:-
- 12.1.1 Existing Authorised Contracts will continue to be performed in accordance with the provisions of this Agreement by the Party which is a contracting party to the relevant contract;
- 12.1.2 New Authorised Contracts will be entered into by the Lead Agent appointed in accordance with the provisions of clause 12.3 which shall perform such contracts in accordance with the provisions of this Agreement.
- 12.2 Schedule 5 contains a list of Existing Authorised Contracts and a costs schedule identifying the costs to the Collaboration in respect of each such Existing Authorised Contract for the first Operational Year. In respect of each Existing Authorised Contract to which it is a contracting party each of the Parties hereby:-
- 12.2.1 warrants that all material cost items which can be identified as at the date of this Agreement in respect of Existing Authorised Contracts for the first Operational Year are clearly identified in Schedule 5;
- 12.2.2 agrees to indemnify in full and keep the other Parties indemnified against any material cost item not identified in Schedule 5 which relates to an Existing Authorised Contract in respect of the first Operational Year and which such party acting reasonably could have identified as at the date of this Agreement and for the avoidance of doubt such undisclosed costs shall not constitute a cost of the Collaboration.
- 12.3 The Parties hereby appoint NWDA as Lead Agent for the purposes of entering into New Authorised Contracts:
- 12.3.1 The Management Board may by majority decision remove a Party as a Lead Agent and by unanimous decision appoint a different Party as Lead Agent. In circumstances when such reappointment is not as a result of a breach of this Agreement by the Lead Agent (when the provisions of clause 13.3 shall apply) the Parties shall agree how the Authorised Contracts held at the date of reappointment by the Lead Agent shall be dealt with. Unless otherwise agreed by the Parties, all Authorised Contracts entered into by the former Lead Agent in its capacity as Lead Agent shall, following the appointment of a new Lead Agent, be treated as Existing Authorised Contracts. Employees employed by or seconded to the former Lead Agent may be seconded to the new Lead Agent in accordance with the provisions of clause 11.1;

12.3.2 The Lead Agent may give the other Parties 6 months' notice of its intention to resign as Lead Agent. In this event, the Management Board shall appoint a new Lead Agent in accordance with clause 12.3.1;

12.3.3 If the Parties are unable to agree on the appointment of a new Lead Agent as a result of the two other Parties both wishing to act, then the matter shall be settled by majority decision of the Management Board;

12.3.4 If the Parties are unable to agree on the appointment of a new Lead Agent as a result of the unwillingness of any Party to act, then the provisions of clauses 13 and 15 will apply, and the Collaboration will be wound up 6 months from the date of the Parties resolving that no agreement could be reached;

12.3.5 The Lead Agent shall be entitled to such remuneration or other compensation (including in-kind assistance from the other Parties) as the Management Board may determine relative to the following:-

12.3.5.1 the completion of, and management and administration of, Authorised Contracts pursuant to this clause 12;

12.3.5.2 the monitoring of reports from the Chief Executive and the provision of management accounts and other financial information in terms of clause 7.1;

12.3.5.3 the provision of Human Resource services to the Collaboration in accordance with clause 11;

all as detailed in the Service Level Agreement set out in Schedule 7.

12.4 At all times when a Party is a contracting party to an Authorised Contract it shall:-

12.4.1 hold the benefit of such contract on trust for the other Parties absolutely;

12.4.2 whilst such contract remains an Authorised Contract act in accordance with the directions of the Management Board in respect of such contract; and

12.4.3 use all reasonable endeavours, insofar as it is within such Party's power and control to do so, to procure compliance with the terms of such contract.

12.4 Liabilities in respect of Authorised Contracts shall be dealt with in accordance with the provisions of clause 16.

13. **Termination**

13.1 Any Party may give 6 months' written notice indicating its intention that such Party's participation in the Collaboration shall terminate at the end of the notice period. Upon receipt of such notice the remaining two Parties shall decide whether they shall continue

the Collaboration without the Party which has given notice. In the event that the remaining Parties:-

- 13.1.1 decide to continue the Collaboration without the Party which has given notice, the provisions of clause 14 shall apply provided always that if the Collaboration is terminated in respect of the remaining Parties within a period of 6 months from the end of the notice period this shall be treated as a termination of the Collaboration in respect of all Parties and the provisions of clause 15 shall apply; or
 - 13.1.2 decide to terminate the Collaboration, the provisions of clause 15 shall apply provided that such termination shall not have effect earlier than the end of the notice period.
- 13.2 Where the Parties jointly decide to terminate the Collaboration with respect to all Parties (other than in the circumstances referred to in clause 13.1) such termination shall not have effect earlier than the date falling 6 months after the date it is resolved to terminate the Collaboration with respect to all Parties.
- 13.3 Where any Party (in this clause referred to as "the Party in default"):-
- 13.3.1 suspends its performance of all or any part of the obligations under this Agreement;
 - 13.3.2 commits a material breach of this Agreement or an Authorised Contract which, if capable of remedy, has not been so remedied within a reasonable period of time, not exceeding 28 Business Days, of being notified by the other Parties acting unanimously;
 - 13.3.3 acts in an unauthorised manner in respect of the Collaboration;
 - 13.3.4 fails to proceed regularly and diligently to perform its obligations or performs its obligations in a negligent manner; or
 - 13.3.5 fails to pay any sum properly due under this Agreement;

then the other Parties acting unanimously may give (but shall not be obliged to give) notice to the Party in default specifying the default. If the Party in default shall continue such default for 28 Business Days (except in the case of a material breach capable of remedy which has not been remedied within the timescale referred to in clause 13.3.2 when it shall not be necessary to provide a further time period) then without prejudice to any other rights of the Parties they may by notice expel the Party in default from the Collaboration, and terminate this Agreement with respect to that Party. Any dispute as to whether a breach as referred to in clause 13.3.2 constitutes a material breach may be referred by any Party to the Expert for determination provided always that such referral shall not prevent the operation of this clause prior to the Expert's determination.

13.4 In the circumstances referred to in clause 13.3 above, the remaining Parties shall decide whether they shall continue the Collaboration without the expelled Party. If the remaining parties:-

13.4.1 decide to continue the Collaboration without the Party which has been expelled then the provisions of clause 14 shall apply; or

13.4.2 decide to terminate the Collaboration then the provisions of clause 15 shall apply provided that such termination shall not have effect earlier than 6 months after the date the Party in default is expelled from the Collaboration.

13.5 The termination of this Agreement howsoever arising is without prejudice to the rights, duties and liabilities of any Party accrued prior to termination. The clauses in this Agreement which expressly or impliedly have effect after termination shall continue to be enforceable notwithstanding termination including but not limited to clauses 13, 14, 15, 16, 17, 20 and 21.

14. **Termination in respect of one Party**

14.1 Where a Party:-

14.1.1 serves notice pursuant to clause 13.1 terminating the Collaboration with respect to that Party in circumstances when the remaining Parties unanimously decide to continue the Collaboration; or

14.1.2 is expelled from the Collaboration pursuant to clause 13.3 but the remaining parties unanimously decide to continue the Collaboration;

then, in either case, the Party leaving the Collaboration (the "Leaving Party") shall take all steps as shall be necessary to agree with the remaining parties (the "Remaining Parties" or the "Remaining Party") prior to the date the Collaboration terminates with respect to the Leaving Party (the "Termination Date") (or, in the circumstances when the Leaving Party is expelled, within 5 Business Days of the date of expulsion) the steps that shall be taken to resolve how the Leaving Party's interests, obligations and liabilities in respect of the Collaboration shall be best dealt with (including but not limited to dealing with Authorised Employees and Authorised Contracts for which such party is responsible) in a manner which reduces insofar as possible the liabilities arising and a plan for the orderly hand-over of the matters for which the Leaving Party is responsible in connection with the Collaboration to the nominated Remaining Parties.

14.2 In the event the Parties do not agree the matters set out above in accordance with the timetable referred to above then the Leaving Party shall, if so required by the Remaining Parties, and in accordance with the timetable laid down by the Remaining Parties (save for the provisions of clause 14.2.3 which comprises an absolute obligation):-

- 14.2.1 use its best endeavours to procure the assignment to the nominated Remaining Parties of any leasehold property in respect of which the Leaving Party is the tenant or sub-tenant (as appropriate) pursuant to the relevant lease or sub-lease and grant the remaining Parties a royalty free licence to occupy such property pending the completion of such assignment;
- 14.2.2 use its best endeavours to procure the secondment, to the nominated Remaining Party of any Authorised Employees of the Leaving Party on terms as directed by the Remaining Parties and subject to the Remaining Parties being responsible for salary and benefits;
- 14.2.3 comply with the directions of the Remaining Parties in respect of Authorised Employees or Authorised Contracts and, pending such direction, not take any actions in respect of Authorised Employees or Authorised Contracts other than lawfully performing such contracts;
- 14.2.4 without prejudice to the provisions of clauses 14.2.1 and 14.2.2 use its best endeavours to procure the assignment or novation of Authorised Contracts and allow the Remaining Parties to adopt, perform and fulfil such contracts. Pending the assignment or novation of such contracts the Leaving Party will hold the benefit of such contracts on trust for the Remaining Parties absolutely and will account to the Remaining Parties for any sums or other benefits received by the Leaving Party in relation to such contracts without any deduction or withholding of any kind;
- 14.2.5 transfer title to any equipment or other assets purchased by the Leaving Party for use in respect of the Collaboration for a consideration equivalent to one third of the greater of:-
 - 14.2.5.1 net book value (as appearing in the accounts of the Collaboration) of such equipment or asset; or
 - 14.2.5.2 its then market value (such value if not agreed by the Parties, to be referred to the decision of the Expert).
- 14.2.6 provide true complete and accurate copies of all books of account, invoices, orders and other information connected with this Agreement or the Collaboration;
- 14.2.7 assign all of its right, title and interest in the Intellectual Property Rights to the Remaining Parties;
- 14.2.8 deliver to the Remaining Parties all equipment or other assets received by the Leaving Party from the Remaining Parties in connection with the Collaboration;

- 14.2.9 return any funds received from the Remaining Parties in advance in the contemplation of the provision of services and/or assets for the purpose of the Collaboration;
- 14.2.10 make available to the Remaining Parties such assets and resources of the Leaving Party as the Leaving Party would have made available to the Collaboration (other than the payment of funds) if the Leaving Party had not left the Collaboration, except that it shall be entitled to be paid for such assets and resources at its then prevailing time and management charges;
- 14.2.11 remove its property (to the extent not transferred pursuant to this clause 14 and its employees (to the extent not seconded pursuant to this clause 14) from all properties/sites used by the Parties in respect of the Collaboration and cease to use such properties; and
- 14.2.12 deliver up to the nominated Remaining Party all materials incorporating any Confidential Information (as defined in clause 20 below), and destroy any Confidential Information contained in any materials prepared by the Remaining Parties and certify in writing to the nominated Remaining Party that the Leaving Party has fully complied with its obligations under this clause 14.2.12. If the Leaving Party fails to return or destroy (as the case may be) any such materials, the Remaining Parties (or any of them) shall be entitled, and are hereby licensed, to enter the Leaving Party's premises and seize and destroy the same.
- 14.3 Liabilities on termination shall be dealt with in accordance with the provisions of clause 17.
- 14.4 Termination of this Agreement in respect of one Party shall be without prejudice to the rights, duties and obligations of each Party accrued prior to the date of termination.
- 14.5 For the purposes of clause 14.1 the Parties agree and covenant that and agree to procure that the Leaving Party will not, without the prior written consent of the Remaining Parties, whether directly or indirectly and whether alone or in conjunction with, or on behalf of, any other person and whether as principal, shareholder, agent, consultant, partner or otherwise:-
 - 14.5.1 for a period of 6 months from the Termination Date solicit or entice, or endeavour to solicit or entice away from the Collaboration any person employed in a managerial, supervisory, technical or sales capacity by one of the Parties in connection with the Collaboration at the Termination Date or at any time during the period of 6 months immediately before the Termination Date; or
 - 14.5.2 at any time after the Termination Date make use of, disclose or cause unauthorised disclosure to any person (except those authorised by the

Remaining Parties in writing in advance to know), any Confidential Information (as such expression is defined in clause 20); or

14.5.3 for a period of 6 months from the Termination Date deal or contract with any person who at any time during the 6 months immediately preceeding the Termination Date is or was:

14.5.3.1 a lead made through the medium of the Collaboration;

14.5.3.2 involved in a project considered by the Collaboration;

where the dealing or contracting relates to a matter falling within the objects of the Collaboration as set out in clause 2; or

14.5.4 use by way of business, collaboration, partnership or venture of whatsoever nature any name which includes any brand or trade name or logo used by the Parties for the purposes of the Collaboration or any colourable imitation thereof and for the avoidance of doubt shall not be entitled to use any material (whether in document form or contained on any other media whatsoever) incorporating such brand or trade name or names or logos or any other of the Intellectual Property Rights.

14.6 The Parties agree that each of the undertakings set out in clause 14.5 is separate and severable and enforceable, and if any one or more of the undertakings or part of an undertaking is held to be against the public interest or unlawful the remaining undertakings or part of the undertaking will continue in full force.

15. **Termination of Collaboration in respect of all Parties**

15.1 In the event that the Collaboration terminates in respect of all Parties pursuant to the provisions of clauses 13.1.2, 13.2 or 13.4.2, then the Parties shall, within 1 month of the date it is resolved that the Collaboration shall terminate ("Collaboration Termination Date"), meet and seek to agree the steps that shall be taken to resolve how their interests, obligations and liabilities in respect of the Collaboration shall be best dealt with in a manner which reduces insofar as possible the liabilities arising provided always that, save as unanimously otherwise agreed by the Parties, the fundamental principles to be observed in respect of the termination shall be as set out in clauses 15, 16 and 17 (the "Termination Principles").

15.2 On any termination of the Collaboration with respect to all Parties and save to the extent otherwise unanimously agreed by the Parties:-

15.2.1 all leads made through the medium of the Collaboration shall be the joint property of each of the Parties and each Party shall be entitled to utilise such leads as it may think fit;

15.2.2 no Party shall, whether alone or in conjunction with, or on behalf of, any other person and whether as principal, shareholder, agent, consultant, partner or otherwise, use in connection with any business, collaboration, partnership or venture of whatsoever nature any name which includes any brand name, trade name or logo used by the Parties for the purposes of the Collaboration or any colourable imitation thereof and for the avoidance of doubt shall not be entitled to use any material (whether in document form or contained in any other media whatsoever) incorporating such brand name or names, trade names or logo or any other of the Intellectual Property Rights.

15.3 If the Parties cannot resolve how their interests are to be dealt with in accordance with the provisions of clause 15.1, within 2 months of the Collaboration Termination Date, then the Parties shall implement the dispute procedure in accordance with the provisions of clause 18.2, and failing agreement within the timescale set out in clause 18.2, any Party may request an Expert to determine the matter in accordance with the Termination Principles. Provided always that in the circumstances contemplated by this clause 15.3 the Parties shall prior to the date of determination by the Expert act in accordance with the provisions of this Agreement and each Party shall indemnify the other Parties in respect of any Liabilities arising as a result of a breach of this clause 15.3.

16. **General Liabilities**

16.1 Termination of this Agreement shall be without prejudice to the rights, duties and obligations of each Party arising prior to the date of termination.

16.2 Subject to:-

16.2.1 the provisions of clauses 16.3 and 16.4; and

16.2.2 the provisions of clause 17 in the event of the termination of this Agreement,

all Liabilities arising directly or indirectly in respect of the Collaboration shall be shared equally by the Parties and each Party shall be responsible for one third of such Liability or Liabilities and indemnify and keep indemnified in full the others in respect thereof.

16.3 Save to the extent unanimously agreed by the Parties, clause 16.2 shall not apply in respect of Liabilities:-

16.3.1 arising in respect of the period prior to the Commencement Date or in respect of acts or omissions (including negligent acts or omissions) of a Party prior to the Commencement Date (including in respect of Authorised Contracts) in which case the Party responsible for the act or omission or in respect of which the liability would have attached prior to the Commencement Date (the "Responsible Party") shall indemnify and keep indemnified the other Parties in respect thereof, provided always that this clause 16.3.1 shall not apply to Liabilities to the extent such Liabilities have been fairly disclosed in writing

by the Responsible Parties to the other Parties prior to signature of this Agreement.

- 16.3.2 arising from a breach or negligent performance of this Agreement or an Authorised Contract in which case the Party responsible for the breach or negligent performance shall indemnify the other Parties in respect thereof; and
 - 16.3.3 arising from an unauthorised action in respect of the Collaboration in which case the Party responsible for the unauthorised action shall indemnify the other Parties in respect thereof.
- 16.4 Nothing in this Agreement shall exclude liability any Party may have for death or personal injury caused by such Parties' negligence or for fraudulent misrepresentation.
- 16.5 Any dispute between the Parties as to how a Liability or Liabilities shall be borne by a Party may be referred by any Party to the Expert for determination.

17. **Liabilities on Termination**

- 17.1 Save as set out in clauses 17.2 to 17.8 below, all Liabilities arising in respect of the termination of the Collaboration (whether or not such termination is only in respect of one of the Parties) shall be dealt with in accordance with the provisions of clause 16.
- 17.2 Subject to the provisions of clauses 17.5, 17.6 and 17.8, in circumstances when one Party serves notice to terminate its participation in the Collaboration pursuant to clause 13.1 and the other Parties decide to continue the Collaboration without the Party which has given notice, the provisions of clause 16.2 shall not apply and the Party which has served notice shall be responsible for and shall indemnify the other Parties in full against the following:-
- 17.2.1 one third of all Liabilities incurred during the period the Party giving notice was a Party to the Collaboration notwithstanding when such Liability is identified; and
 - 17.2.2 for a period of 6 months from the date of expiry of the notice to terminate, one third of all costs and Liabilities arising in respect of the general conduct of the Collaboration as continued by the remaining Parties notwithstanding when such cost/Liability is identified.

Provided always that in the event the remaining Parties decide to terminate the Collaboration during the period of 6 months from the date of expiry of the notice to terminate, the provisions of clause 16.2 shall apply and the indemnifying Party shall be entitled to be repaid monies paid to the other Parties pursuant to clause 17.2.2 in excess of its one third liability pursuant to clause 16.2.

- 17.3 Subject to the provisions of clauses 17.5, 17.6 and 17.8 in circumstances when one

Party is in default as set out in clause 13.3 and the other Parties decide to continue the Collaboration without the Party in default and expel such Party, the provisions of clause 16.2 shall not apply and the Party in default shall be responsible for and indemnify the other Parties in full against the following:-

17.3.1 one third of all Liabilities incurred during the period the Party in default was a Party to the Collaboration notwithstanding when such Liability is identified; and

17.3.2 for a period of 12 months from the date of expulsion (or, if earlier up to the period ending on the termination of the Collaboration with respect to all Parties), one third of all costs and Liabilities arising in respect of the general conduct of the Collaboration (save for matters falling within the Default Contribution referred to below) as continued by the remaining Parties; and

17.3.3 the Default Contribution (as such expression is defined in clause 17.7).

17.4 Subject to the provisions of clauses 17.5, 17.6 and 17.8 in circumstances when one Party is in default as set out in clause 13.3 and the other Parties decide to terminate the Collaboration with respect to all the Parties, the Party in default shall be responsible for and indemnify the other Parties in full against the following:-

17.4.1 its share of Liabilities as set out in clause 16.2 (for the avoidance of doubt including in relation to the period after such Party has been expelled but save for matters falling within the Default Contribution referred to below) notwithstanding when such Liability is identified; and

17.4.2 the Default Contribution (as such expression is defined in clause 17.7).

17.5 Notwithstanding the provisions of clauses 17.2 to 17.4 and subject to the provisions in clause 17.8, in the circumstances when:-

17.5.1 one of the Parties decides to continue with Authorised Contracts or retain Authorised Employees after the date of termination of the Collaboration (whether with respect to such Party or in respect of all Parties) all Liabilities in respect of such retained Authorised Contracts and/or Authorised Employees arising after such termination date shall be the responsibility of the Party deciding to continue such contracts and such Party shall indemnify the other Parties in full in respect thereof.

17.5.2 a Party fails to comply with the provisions of clause 14.2, or fails to comply with agreed steps referred to in clauses 14.1 or 15.1 or determined by the Expert pursuant to clause 15.3 the Liabilities arising in connection with such failure shall be the responsibility of the Party in default and such Party will indemnify the other Parties in full in respect thereof.

- 17.6 Save to the extent unanimously agreed by the Parties, clauses 17.2 to 17.4 shall not apply in respect of Liabilities arising in respect of the period prior to the Commencement Date or in respect of acts or omissions (including negligent acts or omissions) of a Party prior to the Commencement Date (including in respect of Authorised Contracts) in which case the Party responsible for the act or omission or in respect of which the liability would have attached prior to the Commencement Date ("Responsible Party") shall indemnify and keep indemnified the other Parties in respect thereof, provided always that this clause 17.6 shall not apply to Liabilities to the extent such Liabilities have been fairly disclosed in writing by the Responsible Party to the other Parties prior to signature of this Agreement.
- 17.7 For the purposes of clauses 17.3.3 and 17.4.2 the expression "Default Contribution" is an amount equal to those Liabilities arising as a direct result of the action or actions constituting the default by the defaulting Party which Liabilities would not have arisen but for the default. If the Parties are unable to agree the amount of the Default Contribution within the period of 3 months following the date of expulsion of the Party in default or the date of termination of the Collaboration (as appropriate) then any Party may refer the matter to the Expert for determination. In providing the determination in accordance with this clause 17.7 the Expert shall take into account the conduct of the Parties and the determination shall be reasonable and equitable.
- 17.8 Nothing in this Agreement shall exclude liability any Party may have for death or personal injury caused by such Parties negligence or for fraudulent misrepresentation.
- 17.9 Without prejudice to the provisions of clause 17.7, any dispute between the Parties as to how a Liability or Liabilities shall be borne by a Party may be referred by any Party to the Expert for determination.

18. **Dispute Procedure**

- 18.1 Save where this Agreement provides for determination by the Expert, if a dispute arises between the Parties any Party may refer the matter for determination in accordance with the procedure set out in this clause 18.
- 18.2 A dispute referred for determination under this clause 18 shall be resolved as follows:
- 18.2.1 by referral in the first instance to the Director responsible for inward investment of each of NWDA, ONE and YF; and
- 18.2.2 if a dispute is not resolved within 14 days of its referral under clause 18.2.1 it shall be referred to the Chief Executive of each of NWDA, ONE and YF.
- 18.3 If any dispute is not resolved within 14 days of its referral pursuant to clause 18.2.2 then none of the Parties shall take any legal action against any of the other Parties in respect of any legal rights or remedies which may exist in relation to the Collaboration except

with the express consent of the Department of the Environment, Transport and the Regions. In the event such consent is not obtained the Collaboration shall be deemed to be dissolved with respect to all Parties with effect from 5 Business Days following the refusal of the Department of the Environment, Transport and the Regions to consent and the provisions of clause 15.1 shall apply.

19. **Insurance**

19.1 Each of the Parties shall procure that they take out and have in place throughout the term of this Agreement with reputable insurers at their own expense in relation to the Collaboration in general such insurance as the Parties shall from time to time unanimously approve.

19.3 The Parties shall procure that, insofar as reasonably practicable, each of their interests are noted on each of the policies referred to in clause 19.1.

19.4 Upon any Party becoming aware that matters have arisen which will or are likely to give rise to a claim pursuant to the insurance policies referred to in clause 19.1 above they will:-

19.4.1 immediately notify the other Parties in writing of the potential claim and of the matters which will or are likely to give rise to such claim;

19.4.2 not make any admission of liability, agreement or compromise with any person, body or authority in relation to the potential claim without prior consultation with the other Parties;

19.4.3 at all times disclose in writing to the other Parties all information and documents relating to the potential claim or the matters which will or are likely to give rise to such claim and, if requested by the other Parties, give the other Parties and their professional advisers reasonable access to the personnel of the Party concerned and to any relevant premises, chattels, accounts, documents and records within the power, possession or control of the Party concerned and their professional advisers to interview such personnel, and to examine such claim, premises, chattels, accounts, documents and records and to take copies or photographs thereof at their own expense, take such action as the other Parties may reasonably require to avoid, resist, contest or compromise the potential claim or the matters which will or are likely to give rise to such claim.

19 **Confidential Information**

20.1 The Parties acknowledge that the Parties have information and will acquire information in respect of the leads in relation to, the conduct, financing, dealings, transactions and affairs of, projects, plans and proposals in respect of the Collaboration, all of which information is, or may be, secret or confidential and important to the Collaboration. In

this clause 20 such information is called "Confidential Information" and includes business methods, finances, prices business plans, marketing plans, development plans, manpower plans and contact lists.

20.2 The Parties each undertake that save as otherwise provided for in this Agreement or to the extent unanimously agreed by the Parties, they will not at any time:-

20.2.1 disclose to any person (other than each Party's local economic development partners, the Invest in Britain Bureau network or each Party's local government office) except to those authorised by in writing by each of the Parties to know;

20.2.2 use for the their own purposes or for any purposes other than those of the Collaboration; or

20.2.3 through failure to exercise all due care and diligence cause or permit any unauthorised disclosure of,

any Confidential Information, but these restrictions will cease to apply to information which (otherwise than through the default of the relevant Party) becomes available to the public generally.

21 **Intellectual Property**

21.1 Subject to the provisions of clauses 13,14 and 15 of this Agreement, the Intellectual Property Rights shall vest jointly in the Parties.

21.2 If each of the Parties agrees to register any of the Intellectual Property Rights then each Party shall do all such things and execute all such documents, at its own cost, as may be required, to register such Intellectual Property Rights at the appropriate registries throughout the world and shall split all fees associated with such applications and registrations and any renewal fees related to any registered Intellectual Property Rights equally between them.

21.3 The Parties shall each immediately give notice in writing to the others of any infringement or threatened infringement of the Intellectual Property Rights which shall at any time come to its knowledge. The Parties shall consult over what action to take if any in relation to such infringement, whether through instruction of legal proceedings or otherwise, but if the Parties decide to take any action, the costs of such action and any damages recovered shall be split equally between the Parties. If notice is received from a third party that the use of the Intellectual Property Rights is an infringement of such third party's rights, then the cost of any action taken by the Parties in defence of the claim shall be split equally between the Parties as shall any damages payable to such third party as a result of such action.

22 **No Agency or Partnership**

Each of the Parties hereto acknowledges that it is an independent contractor and not the partner or save as set out in this Agreement the agent of the other for any purpose whatsoever. Save as expressly provided herein, each of the Parties hereto acknowledges that it is entirely without authority to act on behalf of the other in any manner and undertakes not at any time to do so.

23 **Waiver**

- 23.1 Single or partial exercise by any Party to this Agreement of any right, power or remedy under this Agreement shall not in any circumstances preclude any other or further exercise of it or the exercise of any other right, power or remedy.
- 23.2 Any waiver of a breach of, or default under, any of the terms of this Agreement shall not be deemed a waiver of any subsequent breach or default and shall in no way affect the other terms of this Agreement.

24 **Notices**

- 24.1 Any demand, notice or communication shall be made in writing or by fax addressed to the recipient at the address set out in this Agreement (or such other address or fax number as may be notified in writing from time to time) and shall be marked for the attention of the Head of Inward Investment or such other persons which the Parties may notify to each other in writing from time to time.
- 24.2 Any demand, notice or communication shall be deemed to have been duly served:
- 24.2.1 if delivered by hand, when left at the proper address for service;
 - 24.2.2 if given or made by prepaid first class post, 48 hours after being posted (excluding Saturdays, Sundays and bank and public holidays);
 - 24.2.3 if given or made by fax, following transmission (provided that it is confirmed by prepaid first class letter sent by post)

provided that where in the case of delivery by hand or transmission by fax, such delivery or transmission occurs either after 4.00 pm on a Business Day or on a day other than a business day service shall be deemed to occur at 10.00 am on the next following business day (such times being local time at the address of the recipient). The current details of the Parties for notice purposes are:

NWDA

Tim Sheward

Head of Inward Investment
North West Development Agency
Muirfield House
Kelvin Close
Birchwood
Warrington WA3 7PB

Tel: 01925 830022
Fax: 01925 830456
e-mail: tim.sheward@nwda.co.uk

YF

Jon Moore
Head of Inward Investment
Yorkshire Forward
Victoria House
2 Victoria Place
Leeds LS11 5AE

Tel: 0113 243 9222
Fax: 0113 243 1088
e-mail: jon.moore@yorkshire-forward.com

ONE

Chris Fraser
Head of Inward Investment
One North East
BioScience Centre – 2nd Floor
International Centre for Life
Times Square
Newcastle upon Tyne NE1 4EP

Tel: 0191 233 9202
Fax: 0191 233 9201
e-mail: chris_fraser@nordev.co.uk

25 **Entire Agreement**

- 25.1 This Agreement sets forth the entire Agreement between the Parties with respect to the subject matter covered by it and supersedes and replaces all prior communications, drafts, agreements, representations, warranties, stipulations, undertakings and agreements of whatsoever nature, whether oral or written, between the Parties relating thereto provided that this shall not exclude any liability which any Party would otherwise have to the other Parties in respect of any statements made fraudulently prior to the date of this Agreement.

26 **Announcements**

No announcement, circular, advertisement or other publicity in connection with the transactions contemplated by this Agreement or any ancillary matter shall be made or issued by or on behalf of the Parties to this Agreement (save as required by law) without the prior written consent of the other Parties.

27 **Law**

- 27.1 The formation, existence, construction, performance, validity and all aspects whatsoever of this Agreement or of any term of this Agreement shall be governed by English law. The English courts shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Agreement. The Parties agree to submit to the jurisdiction of the English courts.
- 27.2 The terms of this Agreement will not be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person not a party to it.

SCHEDULE 1

Power and Authority of the Management Board

SCHEDULE 1

POWER AND AUTHORITY OF THE MANAGEMENT BOARD

Authority

1. To comply with the objects of the Collaboration as set out in Clause 2.
2. To approve the Strategic Brief, keep it under review and make decisions on all matters referred to therein.
3. To authorise and approve all Authorised Contracts.
4. To monitor performance of Contracts.
5. To approve the annual budget of the Collaboration, subject to ratification by each Parties' Board of their respective contributions.
6. To monitor the financial performance of the Collaboration.
7. To set the terms of reference of the CEO and to keep those terms under review.
8. To monitor the CEO's compliance with the terms of reference and CEO's employment contract.
9. To review the CEO's performance in accordance with monthly reports from the CEO containing such information as the Management Board deems appropriate.
10. To set the terms of the Project Handling Protocol and to keep those terms under review.
11. To monitor the CEO's and each of the Parties' compliance with the Project Handling Protocol.
12. To keep the terms of the Collaboration Agreement and all Schedules annexed thereto under review.
13. To approve staffing levels, terms and conditions of employment contracts and make decisions on the recruitment or dismissal of employees of the Collaboration.

1. The Management Board shall seek approval of its recommendations on the draft annual budget of the Collaboration through the appropriate internal approval procedures of each of the Parties prior to final approval.
2. The appropriate internal approvals of each of the Parties shall be required prior to authorising any contract with a value in excess of £10,000.
3. Extraordinary liabilities (including potential court proceedings) must be intimated to the CEO of each of the parties as soon as their existence is known. The Management Board must not make any decision relative to extraordinary liabilities without obtaining the appropriate internal approvals of each of the Parties except where urgent action is required to protect the interest of the Collaboration and/or the Parties.
4. The Management Board shall be advised of the implications of dismissal of any employee of the Collaboration by the Head of HR of the Lead Agent. Where dismissal could potentially result in a liability in excess of £10,000 for the Collaboration, then the appropriate internal approvals of each of parties must be obtained before a final decision is taken.
5. Any proposal to significantly reduce or enlarge the operational scale of the Collaboration must be considered under the appropriate internal approval procedures of each of the Parties prior to approval.
6. Any recommendation to terminate the Collaboration under clause 15 must be considered under the appropriate internal approval procedures of each of the Parties before the Management Board agrees to wind it up.
7. Contracts with a proposed term in excess of three years shall require to be approved under the appropriate internal procedures of each of the Parties prior to authorisation by the Management Board.

	Total £	Chicago £	Boston £	California £	Atlanta £
aries	562,500	265,000	112,500	112,500	72,500
er Rowland uplift	22,500		22,500		
itland Hyslop uplift	40,000	40,000			
ice Costs	127,414	62,608	24,302	24,302	16,202
IS	96,000	36,000	24,000	24,000	12,000
off Training	24,000	9,000	6,000	6,000	3,000
ad Agent payment	20,000				
arketing (balance)	97,586				
tal	990,000				

Personnel 00/01

	Total	Chicago	Boston	California	Atlanta	Pay Costs £	Expenses per annum £
RO	1	1				90,000	12,000
ice Manager	3		1	1	1	47,500	12,000
iling Officer	4	2	1	1		40,000	12,000
usiness Support	5	2	1	1	1	25,000	
imin	2	2				22,500	
tal	15	7	3	3	2		

Staff Costs Estimates for a full year 00/01

N.B. These costs include all on costs - eg NI, Pension, Health & Car Costs that may be included in the employee package.

	Total £	Chicago £	Boston £	California £	Atlanta £
RO	90,000	90,000			
ice Manager	142,500		47,500	47,500	47,500
iling Officer	160,000	80,000	40,000	40,000	
usiness Support	125,000	50,000	25,000	25,000	25,000
imin	45,000	45,000			
		265,000	112,500	112,500	72,500

Office Costs Estimates for a full year 00/01

These estimates are based on the cost of the current NWDA Chicago Office
Cost for non Chicago offices is based on £17.20 per sq ft.

	Chicago	Boston	California	Atlanta	Chicago Base
tope	7	3	3	2	7
ft.	1547	663	663	442	1547
	£	£	£	£	£
nt	26,558	11,404	11,404	7,602	25,000
urance	1,500	663	663	442	1,500
miture & Equipment	1,200	514	514	343	1,200
nting & Stationary	2,400	1,029	1,029	686	2,400
elephones	15,500	6,643	6,643	4,429	15,500
stage	1,200	514	514	343	1,200
ndries	1,750	750	750	500	1,750
Costs	6,500	2,786	2,786	1,857	6,500
Development					
scriptions	6,000				6,000
urses & Conferences					
tal	62,608	24,302	24,302	16,202	61,050

SCHEDULE 2

Part 2

Budget Principles

BUDGET PRINCIPLES

The Budget set out in Schedule 2 Part 1 is the current estimate of the ongoing costs to be incurred in the first full year of the Collaboration Agreement, and is based on the assumptions that form an integral part of that budget. The component parts of the Budget may change following the appointment of the CEO and with the agreement of the Management Board, but the total costs will remain at £990,000. This budget excludes any one-off costs for which funding of £150,000 has been agreed by IBB.

Amended versions of this budget will be produced by the Lead Agent Finance Department on the instructions of the Management Team. The final version which will be profiled up to the end of the 31.3.2001 Financial Year should be agreed no later than one calendar month before the start up date.

All actual cost reporting by the Lead Agent will be compared to the budget as set out in Schedule 2 Part 1, until the final version of the budget has been agreed. Following agreement of the final version, the costs will be compared to that final version.

SCHEDULE 3

Strategic Brief

Aims:

To contribute to the delivery of each region's economic strategy by optimising the quality and quantity of inward investment from the North American market.

To operate more effectively than could be achieved by three regions working independently through economies of scale, increased profile, more leverage etc.

To collaborate on the basis of trust and transparency for the collective good of "North of England".

Objectives:

- 1) To build a positive and cohesive "North of England" brand in the market place.
- 2) To promote the North of England brand to target markets and achieve a higher profile than any single region could achieve through its own efforts.
- 3) To generate a high level of understanding in target markets of the "North of England" brand and its associated values.
- 4) To promote and present the "North of England" fairly and objectively, focusing at all times on the needs of the potential investor.
- 5) To work effectively with partners in the market, particularly consulate posts and multipliers.
- 6) To secure the maximum amount of inward investment to "North of England" by North American companies in agreed target sectors.
- 7) To work effectively with UK based staff to maximise the number of successful projects and new jobs in agreed target sectors.
- 8) To use best endeavours to encourage sub-regional partners to channel their North American inward investment activities into the collaboration
- 9) To seize all opportunities to maximise the cost effectiveness of the collaborative approach.
- 10) To adhere to guidelines established by the Committee on Overseas Propromotion (COP).

STRATEGY

The strategy for 2000-01 will build an effective "North of England" operation by:

- 1) **Establishing the "North of England" office infrastructure:**

the requirements identified by the Management Group. A vital early priority will be to establish an effective network of offices. Particular identified required actions are:

- a. Setting up of a West Coast office
- b. Setting up of an Atlanta office
- c. Resolution of the location of a single Chicago office
- d. Recruitment of outstanding staffing needs

2) Establishing the brand:

The "North of England" brand needs establishing in the market place. The correct brand will need identifying and developing. An early emphasis will need to be placed on producing high quality "North of England" promotional literature, web site, exhibition material, etc.

A second stage will be to present and promote the brand, key selling points and the nature of this collaborative venture, initially with consulate posts and intermediaries to ensure they have a full understanding of the macro-region, the opportunities and the nature of this collaborative venture.

3) Establishing effective enquiry and project management:

This section should be read in conjunction with Schedule 6.

From the earliest time in the life of this collaboration, the effective management of enquiries and projects must be established. This will include:

- 1) ensuring a procedure for handling enquiries and projects is agreed and established (see Schedule 6)
- 2) ensuring that all visiting officers understand and follow procedures
- 3) ensure all relevant staff have a sound understanding of all parts of the macro region
- 4) ensuring that all visiting officers present all parts of the "North of England" objectively and fairly
- 5) ensuring that all visiting officers establish effective working relationships with their contacts in each of the three regions
- 6) help ensure a high quality and consistent response from each region in the UK, identifying any problems to the Management Group.
- 7) ensure that the collation of regional responses at HQ is objective and done to the highest quality
- 8) ensure effective reporting procedures are established between "North of England" and the UK.

4) Establishing effective lead generation programmes:

An Activity Plan for 2000-01 will need preparing, agreeing with the Management Board and delivering. Activity should focus on the following agreed sectors, whilst recognising that that some limited work will be required, on an occasional basis, working on additional sectors.

SCHEDULE 4

Part 1

Terms of Reference of Chief Executive

SCHEDULE 4

Part 2

Employment Contract for Chief Executive

DATED

2000

(1) NORTH WEST DEVELOPMENT AGENCY

(2) [•]

SERVICE AGREEMENT

BETWEEN

(1) **NORTH WEST DEVELOPMENT AGENCY**, a statutory body established pursuant to the Regional Development Agencies Act, of P.O. Box 37, Kings Court, Scotland Road, Warrington, WA1 2FR ("The Employer").

(2) [•] of [•] ("the Executive").

OPERATIVE CLAUSES

1. **Interpretation**

1.1 In this Agreement the following expressions have the following meanings:-

<u>Expression</u>	<u>Meaning</u>
" Management Board"	[one or more of the members of] the Management Board as from time to time constituted under the Collaboration Agreement
"Collaboration Agreement"	an agreement bearing that name between the Employer and others dated •
"Commencement Date"	• 2000
"the 1996 Act"	the Employment Rights Act 1996
"the Partners"	the parties other than the Employer to the Collaboration Agreement
"Restricted Business"	the attraction of investment from persons, companies or firms based within the Territory into actual or proposed business or commercial ventures within the United Kingdom
"the Termination Date"	the date on which the Executive's employment with the Employer terminates
"the Territory"	The United States of America and Canada

1.2 References in this Agreement to clauses are to clauses and sub-clauses of this Agreement unless otherwise specified.

- 1.3 Unless otherwise required words denoting the singular include the plural and vice versa.
- 1.4 References in this Agreement to statutory provisions include all modifications and re-enactments of them and all subordinate legislation made under them.
- 1.5 Clause headings are included in this Agreement for convenience only and do not affect its construction.

2. **Previous agreements**

- 2.1 This Agreement contains the entire and only agreement and will govern the relationship between the Employer and the Executive from the Commencement Date in substitution for all previous agreements and arrangements whether written, oral or implied between the Employer and the Executive relating to the services of the Executive all of which will be deemed to have terminated by consent with effect from the Commencement Date.

3. **Appointment, term and notice**

- 3.1 The Employer will employ the Executive and the Executive will serve the Employer as Chief Executive Officer of the North of England Collaboration, or in such other capacity as the Employer may from time to time require.
- 3.2 The appointment will commence on the Commencement Date and will continue subject as follows for a period of 2 years from such date until [DATE] ("the Fixed Term"). On such date this Agreement and the Executive's employment will terminate unless the Employer shall (in its discretion) have given notice to the Executive no later than [DATE] that the Fixed Term and the Executive's employment under the terms of this Agreement shall be extended by a further period as the Employer may then decide up to a maximum of a further two years. On the expiry of the Fixed Term if extended by notice from the Employer in accordance with this clause 3.2, this Agreement and the Executive's employment shall terminate
- 3.3 Notwithstanding clause 3.2 the Executive may terminate this Agreement and his employment by giving to the Employer not less than 6 calendar months prior written notice.
- 3.4 The Executive's continuous employment with the Employer for the purposes of the 1996 Act commenced on [●] and [does/does not] include employment with a previous employer.

4. **Duties**

- 4.1 The Executive will carry out such duties and functions, exercise such powers and comply with such instructions, rules and restrictions as the Employer determines from time to time (including without limitation the Terms of Reference attached to this Agreement at Appendix 1 ("the Terms of Reference") and the Code of Conduct attached to this Agreement at Appendix 2 ("the Code of Conduct") and the Strategic Brief as amended from time to time (which phrase shall have the meaning given to it

in the Collaboration Agreement and the Job Description attached to this Agreement at Appendix 3). Except when prevented by illness, accident or holiday as provided below the Executive will devote the whole of his working time and attention and such skill as may reasonably be required to the affairs of the Employer and where appropriate any Partner and use his best endeavours to promote its/their interests.

- 4.2 The Executive will as soon as practicable give to the Management Board (in writing if requested) all information, explanations and assistance that the Management Board may require in connection with the business or affairs of the Employer and any Partner and his employment under this Agreement.
- 4.3 The Employer may at any time appoint any person(s) to act jointly with the Executive to discharge his duties and functions under this Agreement.

5. **Place of work**

- 5.1 The Executive will perform his duties at the premises of the Employer (in [Boston] or otherwise as the Employer may require from time to time). The Executive shall travel to and visit such other places of business of the Employer or of any Partner or of third parties (in the United States of America, the United Kingdom and internationally) as the Employer from time to time directs for the proper performance of the Executive's duties.

6. **Hours of Work**

- 6.1 The Executive will be required to work such hours as are necessary in order to meet the requirements of the Employer business and for the proper performance of his duties.

7. **Remuneration**

- 7.1 The Employer will pay the Executive a salary at the rate of [•] per annum subject to tax or other statutory deductions with effect from the Commencement Date (or at such other rate as may from time to time be notified to him by the Management Board) which salary will accrue from day to day and be payable in arrears by equal monthly instalments on the [•] day of each month.
- 7.2 The Executive's salary will be subject to reviews by the Management Board which will be effective on and from [•] each year during the Executive's employment under this Agreement but the Executive shall not be entitled to any increase.
- 7.3 Subject to the remainder of this clause 7.3 the Executive will be entitled to be paid (subject to any tax or other statutory deductions) a bonus, calculated and paid in accordance with and subject to the terms of a bonus scheme which the Employer (acting by the Management Board) and the Executive shall use reasonable endeavours to agree following the Commencement Date ("the Bonus"). For the avoidance of doubt the Executive's salary for the purposes of the Bonus shall be • or such other amount as the Employer shall notify to the Executive from time to time pursuant to a review under clause 7.2 ("the Bonus Salary"). Notwithstanding the remainder of this Agreement the Executive shall not be entitled to any payment in respect of the Bonus if he is not employed by the Employer on the second anniversary of the

Commencement Date and there will be no entitlement to expectation of a payment in respect of the Bonus (whether pro rata or otherwise) if the termination (whether lawful or otherwise and whether terminated by the Executive or the Employer) of the Executive's employment takes effect before such date. The Bonus to be so agreed shall be dependent on the achievement of performance related targets in respect of the initial two years from the Commencement Date. The Employer may in its absolute discretion vary the terms of the Bonus. The Bonus shall be a maximum in any event of ten per cent of the Bonus Salary in respect of the initial two years from the Commencement Date. No payment in respect of the Bonus shall be due if less than fifty per cent of the performance targets are achieved although the parties may agree to a pro rata payment being due where more than fifty per cent but less than one hundred per cent of such targets are achieved.

8. **Expenses**

8.1 The Executive agrees that the Employer may deduct from the Executive's salary (or bonus, if any) any sum which the Executive may owe to the Employer or any Partner.

8.2 The Executive will be reimbursed all out of pocket expenses reasonably and properly incurred by him in the performance of his duties under this Agreement on hotel, travelling, entertainment and other similar items provided that he if and when required by the Employer produces to the Employer appropriate evidence of such expenses. For the avoidance of doubt the Executive shall not be entitled unless otherwise agreed to reimbursement of any accommodation or living costs (for example, home rental costs or travelling expenses to and from his residence or the residence of his family to his normal place of work) not directly connected with the day to day performance of his duties under this Agreement.

9. **Other Benefits**

Unless otherwise agreed in writing between the Management Board and the Executive, the Executive shall not be entitled to the provision of or payment of any benefit in kind (for example pension arrangements, medical expenses, insurance, permanent disability or long term ill-health insurance, life insurance, provision of a motor car, long distance travel to visit families) which is not specifically referred to in this Agreement. The salary referred to in clause 7.1 is intended to include an element to enable the Executive to make his own arrangements in respect of such benefits.

10. **Holidays**

10.1 In addition to normal public holidays in the United States of America the Executive will be entitled to 23 working days' paid holiday in each calendar year such holiday to be taken at such time or times as may be approved in advance by the Management Board.

10.2 Where the Executive has taken more or less than his holiday entitlement in the year his employment terminates, a proportionate adjustment will be made by way of addition to or deduction (as appropriate) from his final gross pay calculated on a pro-rata basis.

11. **Conflict of interests and Confidential Information**

- 11.1 The Executive will disclose promptly to the Management Board in writing all his interests in any business or commercial activity and will notify the Management Board immediately of any change in his external interests. Except with the written consent of the Management Board the Executive will not during his employment under this Agreement be directly or indirectly engaged, concerned or interested whether as principal, servant or agent (on his own behalf or on behalf of or in association with any other person) in any other trade, business, office, post or occupation other than the business and/or affairs of the Employer provided that the Executive will not be precluded from being interested for bona fide investment purposes only as a member, debenture holder or beneficial owner of any stock, shares or debentures which are listed or dealt in on a recognised investment exchange (as defined in section 207 Financial Services Act 1986) and which do not represent more than four per cent. of the total share or loan capital from time to time in issue in such company.
- 11.2 The Executive acknowledges that in the ordinary course of his employment he will be exposed to information about the Employer's business and affairs and that of the Partners and third parties including actual or potential inward investors which amounts to a trade secret, is confidential or is commercially sensitive and which may not be readily available to others or to the general public and which if disclosed will be liable to cause significant harm to the Employer, Partners or such third parties. The Executive has therefore agreed to accept the restrictions in clauses 11.3 and 11.4.
- 11.3 Without prejudice to clause 11.4 or 11.6 and subject to clause 11.5 the Executive will not during the period of his employment with the Employer:-
- 11.3.1 sell or seek to sell to anyone information acquired by him in the course of his employment with the Employer;
 - 11.3.2 obtain or seek to obtain any financial advantage (direct or indirect) from disclosure of such information.
- 11.4 The Executive will not either during his employment or after its termination without limit in time for his own purposes or for any purposes other than those of the Employer or any Partners (for any reason and in any manner) use or divulge or communicate to any person firm or company except to those officials of the Employer, any Partners or the Management Board whose province it is to know the same any secret or confidential information or information constituting a trade secret acquired or discovered by him in the course of his employment with the Employer relating to the private affairs or business of the Employer or any Partner or third party or its/their suppliers, customers, management or shareholders.
- 11.5 The restrictions contained in clauses 11.3 and 11.4 do not apply to:-
- 11.5.1 any disclosure authorised by the Employer or required in the ordinary and proper course of the Executive's employment or as required by the order of a court of competent jurisdiction or an appropriate regulatory authority or otherwise required by law; or
 - 11.5.2 any information which the Executive can demonstrate was known to the Executive prior to the commencement of the Executive's employment by

the Employer or is in the public domain otherwise than as a result of a breach by him of clauses 11.3 and 11.4.

- 11.6 The provisions of clauses 11.3 and 11.4 are without prejudice to the duties and obligations of the Executive to be implied into this Agreement at common law.
- 11.7 If at any time in the course of the Executive's employment by the Employer, he makes or devises (whether alone or jointly with any other person) any invention, design, discovery, arrangement, scheme or improvement and any work in which copyright, design right, registered design, patent or similar protection subsists or is capable of subsisting, ("Inventions") he shall promptly disclose full details to the Employer.
- 11.8 Such Inventions shall, subject to the provisions of the Patents Act 1977, belong (together with the intellectual property rights in them) to and be the absolute property of the Employer (or such other person as the Employer shall direct). The Employer irrevocably and unconditionally waives in favour of the Employer the moral rights conferred on him by Chapter IV Part I of the Copyright Designs and Patents Act 1988 in respect of any Inventions in which the copyright is vested in the Employer or any other person.
- 11.9 If so requested, at the Employer's expense, but without receiving payment, the Executive will join the Employer (both during his employment and thereafter) in making application for patent, registered design, copyright, design right or similar protection in any country of the work in respect of any such Invention, design, discovery, arrangement, scheme, improvement or work and will execute all documents and do all things necessary to vest the title to the same in the Employer (or such other person as the Employer shall direct).

12. Incapacity

- 12.1 If the Executive is absent from his duties as a result of illness or injury he will notify the Employer as soon as possible and complete any self-certification forms which are required by the Employer. If the incapacity continues for a period of seven days or more he will produce to the Employer a medical certificate to cover the duration of such absence.
- 12.2 Subject to the rest of clause 12 and subject to the receipt of the appropriate certificates in accordance with clause 12.1, if the Executive is absent from his duties as a result of illness or injury he will be entitled to payment of his salary and his other benefits for a period (in total) of no more than 13 weeks in any period of 12 months (whether the absence is intermittent or continuous). Thereafter the Executive will be entitled to payment of his salary and his other benefits at half the normal rate for a further period (in total) of no more than 13 weeks. Thereafter the Executive will not be entitled to any further payment (in respect of absence as a result of illness or injury) from the Employer until he has returned to work and completed 6 months' continuous service with no absences from work other than agreed holidays or other leave.
- 12.3 The remuneration paid under clause 12.2 will be reduced by the amount of any public or state welfare or sickness benefit or other benefits or insurance monies recoverable by the Executive (whether or not recovered).

- 12.4 If the Executive is absent for 10 or more consecutive days by reason of sickness, injury or other incapacity the Executive will at the request of the Management Board agree to have a medical examination performed by a doctor appointed and paid for by the Employer and the Executive hereby authorises the Management Board to have unconditional access to any report or reports (including copies) produced as a result of any such examination as the Management Board may from time to time require.

13. **Termination**

- 13.1 The Employer may terminate the Executive's employment immediately by summary notice in writing if he:-
- 13.1.1 knowingly repeats or continues any serious breach (after prior warning by the Management Board) of any part of this Agreement or his obligations under it;
 - 13.1.2 in the performance of his duties under this Agreement commits any act of gross misconduct or gross incompetence;
 - 13.1.3 is convicted of any criminal offence other than a motor offence for which a custodial sentence is not imposed or an offence which does not, in the opinion of the Management Board, materially affect his position under this Agreement;
 - 13.1.4 becomes bankrupt or enters into or makes any arrangement or composition with or for the benefit of his creditors generally;
 - 13.1.5 becomes of unsound mind;
 - 13.1.6 becomes prohibited by law from being a director or a senior management employee of a company;
 - 13.1.7 becomes incapacitated from performing any or all of his duties for any reason for a period exceeding (in total 26 weeks in any period of 12 months);
 - 13.1.8 adversely prejudices or is (in the opinion of the Management Board) likely to prejudice adversely the interests or reputation of the Employer or any Partner;
 - 13.1.9 acts other than in accordance with the Terms of Reference;
 - 13.1.10 is unable to perform his duties under this Agreement by reason of his not holding an appropriate visa.
- 13.2 The Employer shall not be obliged to provide the Executive with work and in any event for a period of no more than 6 months (provided that the Executive continues to be paid his full salary and to enjoy his full contractual benefits until his employment terminates) the Employer has absolute discretion to exclude the Executive from the premises of the Employer itself and other parties to the Collaboration Agreement and/or require him to carry out no duties; and/or to instruct him not to communicate with suppliers, customers, employees, agents or representatives of the Employer until

his employment terminates. During such period the Executive shall continue to owe his obligations as an employee of the Employer and shall continue to comply with such obligations including those at Clause 11. Further, during such period the Employer shall have the right to insist upon the delivery up of property in accordance with Clause 14.

- 13.3 Pursuant to section 197 of the 1996 Act, the Executive agrees that no right to statutory redundancy payment under Part XI of the 1996 Act or any comparable law or regulation of any other jurisdiction shall arise in relation to his employment if the Fixed Term (or any subsequent extension under clause 3.2) expires without being renewed.

14. **Delivery of documents and property**

- 14.1 On termination of his employment for any reason (or earlier if requested) the Executive will immediately deliver up to the Employer all property (including but not limited to documents and software, credit cards, keys and security passes) belonging to the Employer or any Partner in the Executive's possession or under his control. Documents and software include (but are not limited to) correspondence, diaries, address books, databases, files, reports, minutes, plans, records, documentation or any other medium for storing information. The Executive's obligations under this clause 14 include the return of all copies, drafts, reproductions, notes, extracts or summaries (however stored or made) of all documents and software.

15. **Agreement to Change of Employer**

- 15.1 The Executive agrees that the Employer has the absolute right (in its discretion) to terminate the Executive's employment and to require the Executive to enter into employment (on terms and conditions no less favourable taken overall as those contained in this Agreement and including a clause in substantially the same as this clause 15.1) with one of the Partners or a third party. The Executive will have no claim against the Employer in respect of the Employer exercising its right under this clause 15. The rights of the Employer under this clause 15 shall be exercised by the Employer sending written notice to the Executive identifying the Partner or third party with whom the Executive is to be employed such notice to be accompanied by a Service Agreement setting out the terms of employment with such person which the Executive shall immediately on receipt sign and return to the nominated Partner or third party. [If the Employer exercises its right under this clause 15.1 it will seek (to the extent permitted by statute) to preserve the continuous employment of the Executive. Specifically, (a) for the purposes of employee benefits (where relevant) the Employer shall and shall use reasonable endeavours to procure that third parties deem employment with the Employer as continuous with employment with any new employer under this clause 15.1; and (b) for the purposes of compensation under Part XI of the 1996 Act or any comparable law or regulation of any other jurisdiction for termination of employment by reason of redundancy as the Employer shall use reasonable endeavours to procure that any new employer shall deem employment with the Employer as continuous with employment with any new employer under this clause 15.1.

16. **Post-Termination Covenants**

- 16.1 The Executive undertakes to the Employer that he will not without the prior written consent of the Management Board directly or indirectly whether alone or in conjunction with, or on behalf of any other business, concern or person (which (for the purposes of this clause 16) includes any individual, firm, partnership or unincorporated association or company or statutory body) and whether as principal, shareholder, director, employee, agent, consultant, partner or otherwise during the Executive's employment under this Agreement and for a period of 12 months immediately following the Termination Date:
- 16.1.1 be engaged, concerned or interested in Restricted Business or provide technical, commercial or professional advice to any other person [whether within the United Kingdom or the Territory] in connection with Restricted Business provided that this restriction does not apply to prevent the Executive from holding by way of bona fide investment only any units of any authorised unit trust or up to five per cent of the issued shares, debentures or other securities of any class of any company whose shares are dealt in on a Recognised Investment Exchange;
 - 16.1.2 solicit, induce or entice away from the Employer or, in connection with any business in or proposing to be in competition with the Employer employ, engage or appoint or in any way cause to be employed, engaged or appointed a person who is at the Termination Date or was at any time in the 12 months immediately preceding the Termination date employed or engaged as a consultant by the Employer in a sales, marketing or managerial capacity and entitled in such capacity to an annual salary/fee (including bonus) of not less than the equivalent of £30,000 and with whom the Executive has had dealings other than in a de minimis way during his employment;
 - 16.1.3 canvass, solicit or approach, or cause to be canvassed, solicited or approached, for the purposes of the Restricted Business any person who at any time during the 12 months immediately preceding the Termination Date was an actual or potential investor in business/es in the United Kingdom and with which person the Executive was concerned in the course of his employment with the Employer;
 - 16.1.4 deal or contract for the purposes of the Restricted Business with any person who or which at any time during the 12 months immediately preceding the Termination Date was an actual or potential investor in business/es in the United Kingdom and with which person the Executive was concerned in the course of his employment with the Employer;
- 16.2 The parties agree that each of the undertakings set out in each of the clauses 16.1.1 to 16.1.4 inclusive are separate and severable and enforceable accordingly and if any one or more of such undertakings or part of an undertaking is held to be against the public interest or unlawful or in any way an unreasonable restraint of trade, the remaining undertakings or remaining part of the undertaking shall continue in full force and effect and shall bind the Executive.

- 16.3 The Executive agrees that if, during the continuance in force of the restrictions set out in this clause 16, he receives an offer of employment or consultancy from any person, he will immediately provide that person with a complete and accurate copy of this Agreement.
- 16.4 The parties agree that any period where the Employer has exercised its rights under clause 13.2 shall reduce the period of restriction in clause 16.1 accordingly.
- 16.5 In this clause 16 the references to the Employer shall be deemed to include in addition or in the alternative (as the case may be) to the Employer any Partner. For the purposes of this Clause 16 and any other provision of this Agreement (if appropriate) the Employer has entered into this Agreement on behalf of itself and as agent for and trustee for any Partner. If at any time requested by the Employer, the Executive shall immediately enter into an agreement in substantially similar terms as those in this clause 16 direct with any third party (including without limitation any Partner) which the Employer may direct.

17. **Disciplinary and grievance procedures**

- 17.1 The Employer does not have a formal disciplinary procedure which is applicable to the Executive. Any disciplinary decisions relating to the Executive shall be taken by a member of the Management Board.
- 17.2 If the Executive has a grievance in relation to his employment or wishes to appeal against a disciplinary decision he may apply in writing to the Head of Human Resources.
- 17.3 The Employer may suspend the Executive for such period and on such terms or the Employer shall consider necessary for the purposes of investigating any disciplinary or performance issue relating to the Executive and concluding any disciplinary process.

18. **Notices**

- 18.1 Notice under this Agreement by the Executive to the Employer should be addressed to the Employer and left at or posted to or sent by facsimile to its usual business address and notices given by the Employer to the Executive should be served personally at or posted to or sent by facsimile to his usual or last known place of residence or usual place of work. In the case of service by post unless proved to the contrary the day of service will be deemed to be 7 days after the day of posting.

19. **Miscellaneous**

- 19.1 This Agreement will be governed by and interpreted in accordance with the law of England and Wales.
- 19.2 The parties to this Agreement submit to the exclusive jurisdiction of the English Courts in relation to any claim, dispute or matter arising out of or relating to this Agreement.
- 19.3 Any delay by the Employer in exercising any of its rights under this Agreement will not constitute a waiver of such rights.

19.4 To the extent there is any conflict or ambiguity between the contents of any of the Appendixs attached to this Agreement and the main body of this Agreement, the contents of the main body of this Agreement shall prevail.

This document is executed as a deed and delivered by the Executive on the date stated at the beginning of this deed.

SIGNED by _____ and _____)
duly authorised to sign _____)
for and on behalf of _____)
NORTH WEST _____)
DEVELOPMENT AGENCY _____)

SIGNED by _____)
[•] _____)
in the presence of:- _____)

Witness signature:

Name:

Address:

Occupation:

APPENDIX 1
[Attach Terms of Reference]

APPENDIX 2

General Code of Conduct and Outside Interests

Staff will maintain conduct of the highest standard such that the public confidence in their integrity will be maintained.

The Management Board of the North of England Collaboration are entitled to demand of staff conduct of the highest standards, and public confidence in a member of staff's integrity would be shaken were the least suspicion to arise that such a member of staff could in any way be influenced by improper motives.

Staff may not engage in any outside activities or undertake any work outside the Collaboration, whether paid or unpaid which might conflict with the Collaboration's interests.

Staff's off-duty hours are their personal concern, but they should not subordinate their duty to their private interests or put themselves in a position where their duty and their private interests conflict. Staff must not act detrimentally to the Collaboration's interest, or in any way weaken public confidence in the conduct of the Collaboration's business.

CHIEF EXECUTIVE OFFICER – North America

Securing Inward Investment for the North of England

US based – Negotiable remuneration package upto £85k (tax exempt)

In July this year an important new collaboration will be launched by the three northern Regional Development Agencies (Yorkshire Forward, One North East and North West Development Agency) to promote the benefits of the entire region to key audiences in North America. "North of England" will represent the combined resource and expertise of over 14.5 million people from a diverse commercial and world-class business area.

With an operational budget of around £1m and teams based in Chicago, Los Angeles, Boston & Atlanta, you will lead the drive to secure inward investment from North American corporations in key business sectors. Working closely with the three RDA's and local teams, you will be responsible for the development and execution of marketing strategies that deliver a stream of high quality, job-creation projects. Highly ambassadorial, the role will involve networking at corporate CEO and senior Government levels developing and maintaining key relationships, identifying and influencing inward investment opportunities.

In addition to impeccable business credentials, personal impact and energy, you must have outstanding communication, strategic planning and high-level business development skills. Experienced in private & public sector enterprise, you will already have worked in North America and be familiar with their business and social cultures. A fixed two-year contract (with potential to extend for a further year), the appointment will involve extensive US travel and provide an excellent opportunity to make a real impact in a high profile challenging role in a complex, constantly changing economic & political arena.

In the first instance, please send details in strictest confidence to Kevin Gordon, Senior Partner at Sterling Selection, Devonshire Hall, Devonshire Avenue, Street Lane, Leeds, LS8 1AW quoting ref 346/ST

Tel: 0113 218 5000

Fax: 0113 393 0543

E-mail: response@sterling-selection.com

Strictly Private & Confidential
North of England Collaboration
Recruitment Brief – CEO North America
March 2000

Candidate Profile

- Must combine commercial credibility & gravitas with energy, resilience & drive –the role involves extensive US travel (approx 50% of time will be spent visiting clients and sub-regional offices).
- Must be an outstanding networker with strong personal communication & negotiation skills – capable of dealing with a wide range of individuals upto corporate CEO and senior Government level in business and social arenas, both in the US and the UK.
- Will be an inspirational leader, capable of giving clear direction and motivation to geographically spread teams, steering and focusing activities towards the achievement of key strategic goals & objectives.
- Must be able to translate high-level strategic policy and economic objectives into day-to-day operational structures and detailed action plans.
- Will probably have a sales & marketing background with exposure to high-level business promotion and development – ideally in both the private & the public sector.
- Will be highly diplomatic and stakeholder sensitive - able to balance the needs of investors and RDA's alike. Strongly client lead - will call upon business experience, commercial acumen and influencing skills to bring about highly compelling and effective investment proposals.
- Must be thorough and well organised with experience of managing budgets and resources in multi-location environments against a background of change.
- A post-graduate qualification would be a distinct advantage.
- Must have a minimum of 12 months experience of working in North America.

Remuneration: -

- Fully negotiable reward package upto £85k (tax exempt)
- A2 semi-diplomatic status (enables spouse to work in the US)
- 2 year fixed contract with potential of 1 year extension
- Relocation assistance - negotiable

Strictly Private & Confidential
North of England Collaboration
Recruitment Brief – CEO North America
March 2000

Role Purpose

To lead the teams promoting the North of England collaboration to key sectors throughout the US & Canada with the aim of securing a continuous stream of high quality inward investment programmes for the region.

Overview

In July this year the three Northern Regional Development Agencies (Yorkshire Forward, One North East & NorthWest Development Agency) will launch an important new collaboration to promote the entire region to North America. The "North of England" will represent the combined resources, energy and experience of over 14.5 million people from a diverse commercial and world-class business region.

Reporting to a UK based Management Board, this newly created role will be pivotal to the success of the collaboration. Probably centred in Chicago, the position will bring together three existing Inward Investment teams, an operating budget of around £1m and locations in Chicago, Los Angeles, Boston & Atlanta.

Key Elements

- In conjunction with the three RDA's, develop and execute an Inward Investment strategy that delivers an ongoing stream of appropriate projects in accordance with Regional Economic Development objectives and the needs of investors.
- Steer and manage the integration of the three existing Inward Investment teams, establishing key goals & objectives, developing a highly responsive and effective communications infrastructure between all US & UK based operations.
- Responsible for bottom-line delivery of high quality inward investment projects.
- Provide leadership, focus and energy to a geographically spread team, motivating and enabling them to achieve business & personal development targets.
- Create and deliver an effective marketing communications & promotional strategy encompassing all elements of the marketing mix, including personal networking, attendance at key seminars & events, PR, direct mail, e-marketing, exhibitions and sponsorship – taking core messages to key audiences and sectors. –

Key Elements continued

- Personally maintain a high profile at corporate CEO & senior Government levels, building and managing key relationships to identify opportunities, influence investment decisions and promote the strategic objectives of the RDA's.
- Establish a strong intelligence gathering process to capture and evaluate all potential investment opportunities as early as possible, identifying priorities, influencing factors and key decision criteria.
- Develop and monitor tailored inward investment plans for strategically targeted organisations and sectors - advise and guide the RDA's on appropriate positioning, communication and offer development into the key sectors as defined annually.
- Maintain competitiveness of propositions from the three RDA's, continuously benchmarking against other investment-seeking organisations, relaying feedback, key insights, market trends & developments to relevant parties in the US & the UK.
- Ensure that all identified investment opportunities are responded to in an effective, timely and professional manner, liaising with and advising US & UK teams to maximise successful outcomes - likely to get involved personally in positioning & negotiation of high profile and/or high value projects.
- Optimisation of budgets and resources, ensuring that funds and activities are effectively focused and prioritised to deliver maximum results - working smartly to achieve key goals & objectives.
- Produce and present regular management information and Board reports detailing performance against plan along with forecasts and all significant business development activity.
- Monitor compliance with US legal and regulatory requirements - as the nominated Corporate Officer, will be personally responsible for ensuring that all policies, procedures and activities meet the required high standards of corporate governance.
- All ad-hoc duties and activities as requested by the UK Management Board from time to time

SCHEDULE 5

Existing Authorised Contracts

SCHEDULE 6

Project Handling Protocol

SCHEDULE 6 – PROJECT HANDLING PROTOCOL

The following sets out the project handling rules to be carried out within the collaboration.

1. The general principles of the operation
3. The general process undertaken
4. The specific variations relating to different types of project
5. UK visits to the US
6. Treatment of existing contacts at date of commencement
7. Local Partners

I. General Principles

- a. In all dealings that the NoE have with any client companies they will fully explain the nature of the collaboration. The client will be fully aware that North of England is an umbrella organisation in the US representing the three separate RDA's based in the UK.
- b. All company contacts made by the collaboration are open book to the three RDA's involved in the collaboration.
- c. In areas of dispute relating to the role of UK RDA's in respect of the companies based in the US, the US CEO has the final view.
- d. Contact with US based companies is exclusively through the North of England staff unless there is specific agreement with the US CEO for a UK RDA to approach the company.
- e. Company reporting by the US and the UK is undertaken within the timescales set out and is detailed and accurate. The quality of the information flows is vital to the quality of service the company will gain.
- f. Individual RDA's keep the NoE US HQ informed of all company contacts they make relevant to North America. These would include IBIS requests, aftercare reports, North American projects where the decision maker is outside North America etc.
- g. The operational actions of the Collaboration should be determined by the wishes of the client.

II. The Process of Lead Generation and Project Handling:

- a. The North of England will develop a brand to be used in the marketing of the region, the North of England will network with the consular posts and the inward investment multipliers to raise the profile of the initiative. The collaboration will proactively seek investment opportunities in the priority sectors and will support high quality potential investment in none priority sectors. This work will variously include

exhibition and event attendance, marketing campaigns and other activities to generate opportunities.

- b. The priority sectors may change over time but are currently defined as Chemicals, Life Sciences, Call Centres/Shared Service Centres, Automotive, Precision engineering, Software, Telecoms, Semi-conductors, Medical/Healthcare, Food and Packaging. In the operational year 00/01 work will concentrate on a limited number of these sectors. These have been defined as Life Sciences, Call Centres/Shared Service Centres, Automotive, Precision engineering, Software and Telecoms.
- c. As the marketing work is undertaken expressions of interest will be gained from companies. The US operation will maintain contact with these companies and where appropriate meet with them. These companies will request information relating to any potential investment plans. Information may be provided directly from the US office but will mostly be circulated by fax or e-mail to the 3 UK RDA's.
- d. Where information is requested of the UK RDA's, the request will be in the form of action points, a deadline, the format in which the information is required and a background meeting note. The meeting note should be within 3 working days of the original meeting and wherever possible a deadline of at least 5 working days should be provided for the provision of information. This is, however, driven by the requirements of the client.
- e. Information will often be in the format of a presentation covering general economic and investment information along with specific items relative to the particular sector, business activity and nature of the investment. In such circumstances the three RDA's will provide the information using the IBB IBIS format.
- f. The RDA's will write general information which relates to the wider North of England and this together with specific information relating to the specific RDA's will form the basis of presentational material. In this way the client will understand the nature of the collaboration and the separate role of the RDA's.
- g. The information will be sent to the client or presented by a member of the NoE based in the US. This may prompt further information requests and meetings. The NoE will seek to develop the contact to the point where the company are sufficiently interested in the proposition of an investment that a visit to the North of England will be gained. Where a visit is gained the NoE will explain the regions in which the client has shown an interest and why, the project requirements of the company and the key drivers of the investment which will allow the RDA's to plan the most appropriate method to achieve a successful conclusion to the investment.
- h. The company will be met by those RDA's in which the company has expressed an interest. A series of meetings will be arranged which present the region in the most appropriate manner to maintain the interest of the company and which helps facilitate any investment.
- i. Following a visit or 'tour', the RDA, which has met the company, will provide a report within three working days. This report will provide a description of the

activities undertaken during the visit, outline the project parameters understood during the visit, explain the opportunities, which arose and the problems encountered during the visit and outline the actions to be undertaken. This should be sufficient to allow the US office to follow up the visit.

- j. The NoE will follow up the tour with a meeting in the US and report in the usual manner.
- k. The process of meetings, meeting reports, information provision and tours will continue for the length of time required by the company to finalise its investment.
- l. At some point the company will select a location. At this point the decision must be communicated to the RDA's involved and report fully the explanation provided by the client.
- m. Once a final location decision has been gained the NoE and the RDA involved will work to complete the investment.

III. Variations relating to different project types

A. Leads generated by NoE in the US

- a. There will be a NoE brand developed. This NoE brand is the brand used in marketing campaigns and initial discussions. The three RDA's are introduced as the presentation material is sent to the client. It is made clear from that point that NoE is a marketing vehicle with implementation carried out by the 3 RDA's.
- b. NoE requests all presentation material by email/fax to each RDA. In all reporting on meetings with the client, the reports should seek to identify key project drivers, the key features clients expect of a location and above all complete clarity where location decisions are made. Deadlines should also be clearly stated.
- c. The US office assembles material from submissions and should have authority to leave out material submitted after deadlines or material below the standard required. In general most presentations will consist of a NoE summary followed by Chapters representing each RDA.
- d. Where a location decision has been made a UK RDA may ask the US CEO to review the client decision but the CEO's view is final. Any RDA then contacting the company direct or through an intermediary after a decision is in breach of the agreement.
- e. Where companies visit the UK they will visit the selected NoE RDA's. The RDA hosts the visit and then sends back a tour report to NoE to allow follow up. NoE in the US must undertake follow up-until a location agreement or all parties agree.

F North American companies requiring project handling outside North America

- a. Where projects arise where the decision making associated with the project is outside North America even though the UHC is within North America, the RDA's should follow up the lead / project individually. In such circumstances the US office should be kept aware of the project throughout its development.

IV. Visits to the US by UK staff

- a. When UK RDA staff plan to visit the US for inward investment work, the UK Management Board should be informed.
- b. No visits can be made to existing leads or projects without the consent of the US CEO. In general where more than one RDA within the collaboration is on the shortlist for the project, the NoE will undertake the meetings in the US.
- c. On the rare occasions where projects are advanced and there is a relevant role for the short listed UK regions to visit the US company, the NoE should attempt to arrange an equitable arrangement.

V. Treatment of existing contacts at date of commencement

- a. At the date of commencement all contacts made by the three RDA's should be categorised into those projects which are at a later stage of development and should be ring-fenced for the RDA involved, those contacts where the companies plans are not fully formulated and as a result any of the three RDA areas may be relevant and finally those contacts which are at some point between either stage.
- e. At the date of commencement each RDA will identify those projects, which are on-going and have already toured regions within the collaboration, will be ring-fenced to the regions which have hosted a tour.
- f. At the date of commencement each RDA will provide a list from their database of all those contacts made where they accept no active project is underway. These contacts will then be pooled for the benefit of the NoE collaboration.
- g. At the date of commencement each RDA will provide a list of those companies which have not toured but which have clear project parameters and which the RDA involved believes has a genuine interest in their region. In discussion with the NoE CEO, each RDA will then discuss whether the company contact should be pooled for the benefit of the NoE or whether the project should be ring-fenced.
- h. The decision over the treatment of the leads requiring discussion should be based upon the clarity of the project parameters, the level of interest in the region concerned and the quality of the relationship already gained with the decision makers within the company.

VI. Local Partners

- a. The UK RDA's will seek to keep their sub regional partners activities within North America contained within the collaboration.
- b. Where sub regional partners are intent on undertaking their own activities outside the collaboration, the relevant RDA will inform the Management Team.
- c. Where sub regional partners are visiting the US and wish to meet with the NoE offices, this should be accommodated within the principle of seeking to ensure that their future efforts are within the collaboration. They should not be party to information regarding leads and projects – the relevant UK RDA should manage information provision to local partners.

SCHEDULE 7

Lead Agent Service Level Agreement

LEAD AGENT

Overview

This schedule summarises the role of the Lead Agent and acts as a Service Level Agreement summarising the services to be provided by the Lead Agent to the Collaboration and the obligations of the Parties (each RDA) to the Lead Agent.

The Collaboration Agreement defines the Lead Agent as:

The Party appointed from time to time to enter into Authorised Contracts in respect of the Collaboration pursuant to the provisions of clauses 12.2 and/or 12.3 of the Agreement.

Clause 12 can be summarised as:

Contracts which are entered into in pursuance of the Collaboration can be split into two categories:

- Existing Contracts which currently subsists and which the Parties agree will comprise part of the Collaboration will continue to be performed by the relevant Party which is a contracting Party to the relevant Contract.
- New Contracts which the Parties agree will comprise part of the Collaboration will be entered into by a Lead Agent which shall perform such Contracts on behalf of the Parties.

Parties who are contracting Parties through an authorised Contract shall hold the benefit of such Contract on trust for the other Parties, procure compliance of the terms of the Contract and act in accordance with the Management Board in respect of such Contract.

Although liabilities arising from Authorised Contracts will be shared equally between the Parties, each Party will be responsible for its breach or negligent performance of an Authorised Contract.

Therefore the Lead Agent provides a service to the Collaboration but any costs resulting from these services are borne equally by the Parties.

Range of Services

The Lead Agent will only provide those 'regular' services required to ensure the efficient and effective operation of the Collaboration; 'abnormal' services will require specific, one-off solutions eg a joint Working Group of the Parties, out-sourcing etc.

'Regular' Services

Authorised Contracts

The Lead Agent will ensure that all New Authorised Contracts are procured efficiently and on best possible terms in accordance with the provisions of the Agreement. Procurement policies and procedures will adhere to the RDA's Financial Memorandum and will follow the Lead Agent's specific procedures eg tender processes. The most effective method of procurement will in each instance be followed eg a locally provided service/lease for a US office will be procured by North of England US staff following the above procedures.

The Parties will maintain their respective Existing Authorised Contracts in accordance with the provisions of the Agreement.

Human Resources

The Lead Agent will manage the process of recruiting any new staff by providing professional support to the North of England Chief Executive Officer and staff. New staff will be appointed on the Terms and Conditions of the Lead Agent as amended by any harmonisation arrangements under the Collaboration. The Lead Agent will, on behalf of the Collaboration coordinate an annual review of

performance, remuneration etc.

The Parties will maintain the contracts of their existing staff as amended by their secondment to the Collaboration and any resultant harmonisation arrangements.

Any disciplinary issues will follow the Lead Agent's Staff Handbook (as amended by harmonisation arrangements) within the following hierarchy of line management:

North of England Staff Member
|
North of England Office Manager
|
North of England CEO
|
Collaboration Management Team
|
Employing Authority Business Development Director
|
Employing Authority CEO

Financial Services

The Lead Agent will establish and manage a separate bank account for the Collaboration.

All payments relating to New and Existing Authorised Contracts for the Collaboration will be paid by:

- US Contracts: from the North of England US bank account
 - UK Contracts: from the Lead Agent's UK bank account
- NB** There will be no direct payments by any of the RDA Parties. Each party will be responsible for providing its own third of the funding requirements in accordance with clause ~~10.2~~ 10.1 of the Agreement.

Consistent with Clause 8.1.6 and Schedules 1&4 the following arrangements/delegations will be followed:

Up to £10,000

Order Forms, cheques etc will require two authorised signatories:

- US Contracts: Chief Executive Officer and one other
- UK Contracts: Lead Agency Head of Inward Investment and Finance Manager

Over £10,000 (for US and UK Contracts)

- Order Forms: all three Heads of Inward Investment
- Cheques: Lead Agency Head of Inward Investment and Finance Manager

Each Party to ensure that signatures can be provided within 5 working days and that, for Order Forms, fax/e-mail confirmation will constitute an authorised 'signature'.

Each of the Parties will be responsible for any analysis/reporting of the financial performance of the Collaboration to its own RDA, IBB etc utilising the quarterly reporting information (see below) provided by the Lead Agent.

Reporting

In accordance with Clause 7.1.1, by not later than 21 business days following the end of the quarter to which they relate the Lead Agent will provide quarterly and annual Management Accounts detailing the financial performance of the Collaboration compared to Budget for the Collaboration in such form as agreed by the Parties from time to time. A standard pro forma will be agreed by the Management Board which will include all the regular day to day financial information requirements that each RDA

Other than this additional financial information will only be provided as a result of a written request from an Auditor.

Enquiry Point

The Lead Agent will identify a single enquiry point for queries regarding its services as Lead Agent who will be responsible for ensuring a response to the enquirer (normally North of England US staff) as soon as is practicable. This person will liaise with other specialist staff in each of the Parties and the response to the enquirer will be based on the most practical method of coordinating a response eg either direct from the specialist or coordinated via the enquiry point.

Each Party will nominate a person (and ensure cover) for the following specialisms:

- Procurement
- Finance
- Human Resources
- Information Technology

Each Party must provide the other Parties with one months notice of a change in nominated personnel.

All matters relating to the Inward Investment operational performance of the Collaboration will be handled by the Inward Investment Teams in accordance with Schedule 6.

'Abnormal' Services

The Collaboration will from time to time face issues, challenges, new initiatives which cannot be predicted and will require specific, often specialist, resources to address. Such matters, but not exclusively, could include:

- Major marketing/promotion initiatives eg North of England launch.
- Segmentation analysis of target sectors
- Design of North of England corporate house style.
- Preparation of corporate literature, exhibition materials etc.
- Scoping/implementing IT infrastructure, databases etc.

Remuneration

The Lead Agent will be remunerated for providing the services defined in this Schedule and the amount will be reviewed and agreed by the Management Board in accordance with the timetable outlined in Clause 6.3. If during each year the Management Board and the Lead Agent agree to perform additional services as Lead Agent then these will be agreed additionally.

Change of Lead Agent

The Management Board may appoint a different Party as Lead Agent and the current Lead Agent can provide six months notice to resign its role as Lead Agent according to the Terms outlined in Clause 12.3.

AS WITNESS the hands of the duly authorised representatives of the Parties on the date stated at the beginning of this Agreement.

SIGNED by)
duly authorised to sign)
for and on behalf of)
NORTH WEST DEVELOPMENT)
AGENCY in the presence of)

Witness Signature:

Name:

Address:

Occupation:

SIGNED by)
duly authorised to sign)
for and on behalf of)
ONE NORTH EAST)
in the presence of)

Witness Signature:

Name:

Address:

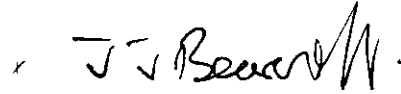
Occupation:

SIGNED by
duly authorised to sign
for and on behalf of
YORKSHIRE FORWARD
(YORKSHIRE & HUMBER
REGIONAL DEVELOPMENT
AGENCY)
in the presence of

)
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)
)

x 

Witness Signature:

x 

Name:

x JEFF BEARCROFT

Address:

x 10 OAKLANDS AVENUE
ADEL
LEEDS LS16 5NR

Occupation:

x FINANCE DIRECTOR, YORKSHIRE FORWARD

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